

## STATE OF WASHINGTON

## DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT Energy Policy Division

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October 14, 2004

Mr. Stan Price, Chair State Building Code Council – WA CTED 906 Columbia St. SW PO Box 42525 Olympia, WA 98504-2525

Re: Support for Energy Code Amendments

Dear Chairman Price:

The Department of Community, Trade and Economic Development urges the State Building Code Council to adopt all of the proposed amendments to the non-residential energy code. I am submitting these comments as follow-up to both Governor Locke's April request to the Code Council to reconsider these amendments and my August letter to the Council reporting on our consultant's analysis of the energy savings captured by adopting the amendments.

We are extremely pleased that the Building Code Council voted to enter into rulemaking. The energy savings captured by these amendments are valuable to both our economy and our energy system. Thank you, for committing to reconsider these amendments.

More efficient use of our limited energy resources has been important to Washington and to the entire Pacific Northwest. Over the past twenty years, the Northwest has saved enough electricity to serve the equivalent of two years of Seattle's total electricity needs, at costs significantly less than the costs of generating new electricity. Roughly, one-fifth of those savings came from adopting cost-effective improvements to the state energy codes in the Northwest.

Just this week, the Northwest Power and Conservation Council released its draft 5<sup>th</sup> Power Plan. In that plan the Council's analysis showed that the Northwest once again has the opportunity to acquire another 22 million megawatt hours of cost effective electricity conservation over the coming twenty years – more than two years of Seattle consumption. State energy codes will continue to play an essential role in capturing those cost effective energy savings in new buildings; savings that will otherwise be lost if not incorporated during the design and construction phases.

Strong state energy codes have been endorsed by past governors and legislatures. CTED's goals include securing energy savings for a healthier economy and affordable energy future as well, attracting and keeping businesses in the state. Affordable energy is vital to a healthy economy. Investing in efficiency measures at the time of construction is the most cost-effective method and frequently the only cost-effective opportunity to capture energy efficiency savings in buildings that will stand for decades to come. These savings mean that our state's electricity and natural gas ratepayers can avoid or postpone the costs of expanding distribution or transmission lines or building excessive amounts of expensive new generation.

Washington's energy efficient economy served us well during the West Coast energy crisis in 2001. We would almost certainly have faced even higher prices and power blackouts if we had not invested in energy efficiency measures during the proceeding decades. Our more efficient homes, businesses, and industries were better able to weather the higher power prices. State energy codes played a critical role in achieving these efficiencies.

First year electricity savings from this package of amendments are estimated to be 12.4 million kWhs and natural gas savings are estimated to be 138,000 therms. Over ten years those savings will grow by tenfold as new buildings are built and savings persist in existing buildings.

At least six of these energy saving amendments ensure that the state keeps current with the national ASHRAE Standard 90.1-2001. All of these non-residential measures are in place as code in Seattle with minor variations.

These improvements to the state's non-residential energy code are a small, but important contribution to achieving the region's power and efficiency goals. More efficient buildings mean lower operating costs, better buildings, and more viable businesses. We support these energy code amendments and urge you to vote in favor of them.

If you have any questions as you review and consider these amendments, please do not hesitate to call me at 360-956-2125 or my staff, Liz Klumpp at 360-956-2071.

Thank you for your time and support.

Sincerely,

Tony Usibelli

Director, Energy Policy Division

Department of Community, Trade and Economic Development